

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

RECEIVED

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W-03912A
Sunizona Water Company
5416 E. Hwy 181
Pearce AZ 85625

MAR 30 2005
AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) <u>SUNIZMA Water Co.</u>		
Mailing Address <u>5416 E Hwy 181</u>		
<u>Pearce</u> (City)	<u>Arizona</u> (State)	<u>85625</u> (Zip)
<u>520-824-3616</u> Telephone No. (Include Area Code)	<u>Same as #</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u>dbales@vte.net</u>		
Local Office Mailing Address <u>5416 E Hwy 181</u>		
<u>Pearce</u> (City)	<u>AZ</u> (State)	<u>85625</u> (Zip)
<u>520 824-3616</u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u></u>		

MANAGEMENT INFORMATION

Management Contact: <u>NARVOL DEAN BALES</u>			<u>OWNER</u>
<u>5416 E Hwy 181</u> (Street)	<u>Pearce</u> (City)	<u>AZ</u> (State)	<u>85625</u> (Zip)
<u>520 824-3616</u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address <u>dbales@vte.net</u>			
On Site Manager: <u>NARVOL DEAN BALES</u>			
<u>5416 E Hwy 181</u> (Street)	<u>Pearce</u> (City)	<u>AZ</u> (State)	<u>85625</u> (Zip)
<u>520 824-3616</u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address <u></u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

N/A

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☒ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co-op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☐ **Other (Describe)** _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☒ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	NA	—	—
302	Franchises	NA	—	—
303	Land and Land Rights	NA	—	—
304	Structures and Improvements	1,250.00	30.63	1219.37
307	Wells and Springs	15,031.67	446.44	14,585.23
311	Pumping Equipment	14,641.30	778.78	13,862.52
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	1,508.25	27.65	1,480.60
331	Transmission and Distribution Mains	23,965.00	23,965.00	—
333	Services	3,829.69	116.81	3,712.88
334	Meters and Meter Installations	1,265.25	50.25	1,215.00
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	1,138.32	61.6870	1,076.64
341	Transportation Equipment	5,300.00	1060.00	4,240.00
343	Tools, Shop and Garage Equipment	—	—	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	1,600.00	80.20	1,520.00
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	474.80	25.20	449.60
348	Other Tangible Plant	—	—	—
	TOTALS	70,004.28	26,642.44	43,361.84

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization		NH	
302	Franchises			
303	Land and Land Rights	+	-	
304	Structures and Improvements	1250. ⁰⁰	2.45	30.63
307	Wells and Springs	15031.67	2.97	446.44
311	Pumping Equipment	15,420	5.05	778.71
320	Water Treatment Equipment	-	430	-
330	Distribution Reservoirs and Standpipes	1535.90	1.80	27.65
331	Transmission and Distribution Mains	23,965. ⁰⁰	2.20	23,965. ⁰⁰
333	Services			
334	Meters and Meter Installations	714	3.82	27.27
335	Hydrants	-	-	-
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	-	-	-
340	Office Furniture and Equipment	609.59	5.14	31.33
341	Transportation Equipment	-	20. ⁰⁰	-
343	Tools, Shop and Garage Equipment	286.57	4.75	13.61
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	-	590	-
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	5.04	-
348	Other Tangible Plant	-	5.04	-
	TOTALS	58,203.14	67.96	25,320.64

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4,268.93	\$ 2,845.13
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	16,623.84	27,571.04
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	313.00	8,000.00 1103
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 21,205.77	\$ 30,945.14
	FIXED ASSETS		
101	Utility Plant in Service	\$	\$
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation -- Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation -- Non Utility		
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$	\$

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

BALANCE SHEET (CONTINUED)

N/A

Acct. No.	<i>N/A</i> LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$	\$

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 116,623.84	\$ 22,569.14
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$	\$
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 3,892.00	\$
610	Purchased Water	0	0
615	Purchased Power	2,258.49	2,499.25
618	Chemicals	0	0
620	Repairs and Maintenance	4050.57	305.00
621	Office Supplies and Expense	920.57	129.00
630	Outside Services	160.00	
635	Water Testing	1,320.00	1,891.24
641	Rents		
650	Transportation Expenses		1,340.98
657	Insurance - General Liability		
659	Insurance - Health and Life		1,904.16
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	6250.00	72.00
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes	1,977.38	1,524.36
409	Income Tax	50.00	50.00
	TOTAL OPERATING EXPENSES	\$	\$
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0 0	\$ 0
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ 3,7502.85	\$ 3,2285.13

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA

N/A

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-04-02036	15	80 ^{N/A}	440	12	3	1963
55-04-02036	100 10	55	440	12	3	1963

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
3,000	1	5,000	1

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	PVC	6,800
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	24
3/4	4
1	2
1 1/2	1
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

non / N/A

STRUCTURES:

N/A

OTHER:

N/A

COMPANY NAME:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	30	240,300	120,792
FEBRUARY	31	184,302	194,410
MARCH	30	176,100	224,030
APRIL	32	214,692	261,410
MAY	32	285,870	312,150
JUNE	32	465,816	506,730
JULY	32	504,754	565,710
AUGUST	32	436,824	464,730
SEPTEMBER	31	325,420	315,160
OCTOBER	31	378,311	514,530
NOVEMBER	32	321,011	351,640
DECEMBER	30	127,052	289,360
TOTAL		N/A	4,806,520.00

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes

(X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

(X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. .003 mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME _____ YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 1,524.36

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Surizona Water Co. YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

State Taxable Income Reported 50.00
Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

★ N. D. Bales
SIGNATURE

3-28-05
DATE

★ N. D. Bales
PRINTED NAME

Owner
TITLE

RECEIVED

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

MAR 30 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Narool Dean Bales - owner</u>
COMPANY NAME <u>Sanizone Water CO</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

NOB \$ ~~30,945.14~~ 30,945.14 NOB

(THE AMOUNT IN BOX ABOVE
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

N. D. Bales
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER 520-824-3616

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

3-28-05

DAY OF

COUNTY NAME	<u>Cochise</u>	
MONTH	<u>Mar.</u>	<u>2006</u>

(SEAL)



OFFICIAL SEAL
PATRICIA A. HILL
Notary Public - State of Arizona
COCHISE COUNTY
My Comm. Expires March 19, 2006

Patricia A. Hill
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 3-19-06

RECEIVED

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

MAR 30 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <i>Cochise</i>	
NAME (OWNER OR OFFICIAL) <i>Narvel Dean Bales</i>	TITLE <i>Owner</i>
COMPANY NAME <i>Sunizona Water Co.</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<i>12</i>	<i>31</i>	<i>2004</i>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ ~~22,945.14~~ ^{MD} *30,945.14*

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

N. D. Bales
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

520 824 3616

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

3-28-05

DAY OF

(SEAL)



MY COMMISSION EXPIRES *3/19/06*

NOTARY PUBLIC NAME <i>Patricia A. Hill</i>	
COUNTY NAME <i>Cochise</i>	
MONTH <i>3-19</i>	YEAR <i>2006</i>

Patricia A. Hill
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**



SUNIZONA WATER COMPANY

5416 E HWY 181
PEARCE, AZ 85625
520-824-3616

1314

91-525/1221

Date 10-26-04

Pay to the order of Marsha Bonham \$ 1,524.36
One thousand five hundred & twenty four ³⁶/₁₀₀ Dollars



SUNSTATE BANK
Sunsites Office
155 Frontage Road
Pearce, Az 85625

2004 Tax Paid in full

For Parcel 925-95-304 4

N. D. Bales

⑈001314⑈ ⑆122105252⑆ ⑈6011801097⑈